SALEM/ NEW YORK STATUS MEETING

December 11, 1997

Advertising

- Conducted qualitative 12/3 and 12/4 in New York and saw initial indications of ad awareness and recall.
- Are developing additional print ads which continue to deliver:
  - -unexpected, offbeat humor and imaginative personality of the brand
  - -lifestyle, urban and smoking relevance
  - -multi-cultural images and cues.
- Are working to improve the communication of the out-of-home and retail advertising to:
  - -simplify and focus the message
  - -improve branding of Salem name
  - -better connect the orb to the brand
- Increasing the weight of the media plan to build awareness faster by :
  - -adding more billboards and wall paints
  - -adding relevant publications and additional pages in those publications, to include Hispanic magazines

Packaging

- The pack design works to communicate that the brand has a new, more contemporary image, and also provides the "home " for the orb.
- Have gotten feedback that the colors, especially on the full flavor style, are too dark. These darker colors (versus the bright green on the current Salem foil wrap) can suggest a stronger product taste and lower quality, which is of particular concern to the franchise. Are working to optimize these issues for production as soon as possible.
- Are also looking to improve differentiation between Lt 100 Box and Slim Lt 100 Box, as well as moving the "Slidebox" indicator up on the pack so it can be seen when merchandised in the System 3.
- Slidebox continues to be an effective tool to get competitive smoker interested in the brand and drive initial trial.

Product

- Positive feedback on product's appeal among competitive smokers. Some level of franchise discontent still exists, although frequently driven by trial of the new box product.
- Green cigarette is very popular and, once discovered, is a reason to try and talk about Salem. Are adding a green cigarette to the Full Flavor and Lights 100's box styles.
- There is indication that the "Natural Menthol" claim is compelling as a product point-of-difference. We are evaluating natural menthol's benefit value and possible communication strategies.
- Are continuing to develop " house blends" (flavors, seasonals, etc) as a promotion idea.
- Menthol cigars are actively being developed for a February DTS.

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Source: https://www.industrydocuments.ucsf.edu/docs/pqyy0000